

Senate File 2325 - Introduced

SENATE FILE _____
BY COMMITTEE ON ECONOMIC GROWTH

(SUCCESSOR TO SSB 3199)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the grow Iowa values fund by allocating moneys
2 for the physical infrastructure assistance program and
3 changing certain job and wage requirements, and providing an
4 effective date.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
6 TLSB 5878SV 82
7 tw/rj/24

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1 1 Section 1. Section 15E.175, subsection 1, Code 2007, is
1 2 amended by striking the subsection and inserting in lieu
1 3 thereof the following:
1 4 1. The department shall establish a physical
1 5 infrastructure financial assistance program to provide
1 6 financial assistance for business or community physical
1 7 infrastructure development or redevelopment projects.
1 8 Physical infrastructure development or redevelopment projects
1 9 include but are not limited to infrastructure projects
1 10 involving any mode of transportation; public works and
1 11 utilities such as sewer, water, power, or telecommunications;
1 12 physical improvements which mitigate, prevent, or eliminate
1 13 environmental contaminants; and any other project deemed
1 14 appropriate by the department.
1 15 a. Physical infrastructure projects that create the
1 16 necessary infrastructure for economic success throughout Iowa,
1 17 that provide the foundation for the creation of quality,
1 18 high-wage jobs, and that involve substantial capital
1 19 investment may be eligible for financial assistance under the
1 20 program if within three years of the completion of the
1 21 project, the project meets certain performance measurements
1 22 established by the department. If, at the end of the
1 23 three-year period, the project has not met the performance
1 24 measurements established by the department, the department may
1 25 seek to reclaim any funds granted through the program. At the
1 26 department's discretion, a project may be granted an
1 27 additional year of time to meet the performance measurements
1 28 of this subsection.
1 29 b. The department shall adopt rules governing the awarding
1 30 and use of funds pursuant to this section.
1 31 Sec. 2. Section 15G.111, subsection 1, paragraph a, Code
1 32 Supplement 2007, is amended to read as follows:
1 33 a. For the fiscal period beginning July 1, ~~2005~~ 2007, and
1 34 ending June 30, 2015, there is appropriated each fiscal year
1 35 from the grow Iowa values fund created in section 15G.108, the
2 1 following amounts for the purposes designated:
2 2 ~~(1) For the fiscal year beginning July 1, 2005, and ending~~
~~2 3 June 30, 2006, to the department of economic development~~
~~2 4 thirty-five million dollars for programs administered by the~~
~~2 5 department of economic development.~~
2 6 ~~(2) For each fiscal year of the fiscal period beginning~~
~~2 7 July 1, 2006, and ending June 30, 2007, to the department of~~
~~2 8 economic development thirty-three million dollars for programs~~
~~2 9 administered by the department of economic development.~~
2 10 ~~(3) (1) For each fiscal year of the fiscal period~~
2 11 ~~beginning July 1, 2007, and ending June 30, 2009, to the~~
2 12 ~~department of economic development thirty million dollars for~~
2 13 ~~the following programs administered by the department of~~
~~2 14 economic development.:~~
2 15 ~~(a) The targeted small business financial assistance~~
2 16 ~~program established pursuant to section 15.247.~~

2 17 (b) The community economic betterment program established
2 18 pursuant to section 15.317.

2 19 (c) The entrepreneurial venture assistance program
2 20 established pursuant to section 15.339.

2 21 (d) The value-added agricultural products and processes
2 22 financial assistance program established pursuant to section
2 23 15E.111.

2 24 (e) The physical infrastructure financial assistance
2 25 program established pursuant to section 15E.175.

2 26 (f) The loan and credit guarantee program established
2 27 pursuant to section 15E.224.

2 28 ~~(4)~~ (2) For each fiscal year of the fiscal period
2 29 beginning July 1, 2009, and ending June 30, 2015, to the
2 30 department of economic development thirty-two million dollars
2 31 for the following programs administered by the department of
2 32 economic development.:

2 33 (a) The targeted small business financial assistance
2 34 program established pursuant to section 15.247.

2 35 (b) The community economic betterment program established
3 1 pursuant to section 15.317.

3 2 (c) The entrepreneurial venture assistance program
3 3 established pursuant to section 15.339.

3 4 (d) The value-added agricultural products and processes
3 5 financial assistance program established pursuant to section
3 6 15E.111.

3 7 (e) The physical infrastructure financial assistance
3 8 program established pursuant to section 15E.175.

3 9 (f) The loan and credit guarantee program established
3 10 pursuant to section 15E.224.

3 11 Sec. 3. Section 15G.111, Code 2007, is amended by adding
3 12 the following new subsection:

3 13 NEW SUBSECTION. 8A. For the fiscal period beginning July
3 14 1, 2009, and ending June 30, 2015, from the moneys
3 15 appropriated each fiscal year from the grow Iowa values fund
3 16 created in section 15G.108, to the department for program
3 17 administration pursuant to subsection 1, paragraph "a", the
3 18 department may allocate up to five million dollars to projects
3 19 qualifying for assistance under the physical infrastructure
3 20 financial assistance program established pursuant to section
3 21 15E.175 which, notwithstanding section 15G.112, shall not be
3 22 subject to job or wage requirements. The department may
3 23 allocate moneys from the grow Iowa values fund above five
3 24 million dollars each year to projects qualifying for
3 25 assistance under the physical infrastructure financial
3 26 assistance program but such projects shall be subject to the
3 27 job and wage requirements of section 15G.112.

3 28 Sec. 4. Section 15G.112, subsections 1 and 3, Code 2007,
3 29 are amended to read as follows:

3 30 1. In order to be eligible to receive financial assistance
3 31 from the department from the moneys appropriated in section
3 32 15G.111, subsection 1, paragraph "a", from the grow Iowa
3 33 values fund to the department for programs administered by the
3 34 department, the average annual wage, including benefits, of
3 35 new jobs created must be equal to or greater than one hundred
4 1 thirty percent of the average county wage. For purposes of
4 2 this section, "average county wage" and "benefits" mean the
4 3 same as defined in section 15I.1.

4 4 3. In awarding moneys appropriated to the department
4 5 pursuant to section 15G.111, subsection 1, paragraph "a", from
4 6 the grow Iowa values fund for programs administered by the
4 7 department, the department shall give special consideration to
4 8 projects that include significant physical infrastructure
4 9 components designed to increase property tax revenues to local
4 10 governments.

4 11 Sec. 5. EFFECTIVE DATE. This Act, being deemed of
4 12 immediate importance, takes effect upon enactment.

4 13 EXPLANATION

4 14 This bill relates to moneys appropriated from the grow Iowa
4 15 values fund.

4 16 Currently, \$50 million is appropriated each year to the
4 17 grow Iowa values fund, and of those moneys, \$30 million is
4 18 appropriated to the department of economic development to fund
4 19 certain programs. Programs funded in this way are subject to
4 20 job and wage creation requirements.

4 21 The bill allows the department to allocate at least \$5
4 22 million to the physical infrastructure assistance program and
4 23 exempts projects funded by this program from the job and wage
4 24 requirements as long as the project is an infrastructure
4 25 project that meets certain performance measurements set by the
4 26 department of economic development.

4 27 Finally, the bill makes certain conforming amendments to

4 28 the grow Iowa values fund and the physical infrastructure
4 29 assistance program to specify program requirements.
4 30 The bill takes effect upon enactment.
4 31 LSB 5878SV 82
4 32 tw/rj/24